
**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of the)	
)	
Telecommunications Carriers Eligible for)	WC Docket No. 09-197
Universal Service Support)	
)	WC Docket No. 11-42
Lifeline and Link Up Reform and Modernization)	
)	
Four Star Marketing, LLC d/b/a Midsouth Home)	
Phone Compliance Plan)	

**FOUR STAR MARKETING, LLC D/B/A MIDSOUTH HOME PHONE'S
COMPLIANCE PLAN**

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I. INTRODUCTION

Four Star Marketing, LLC d/b/a Midsouth Home Phone (“Four Star” or the “Company”) is a competitive local exchange telecommunications carrier (“CLEC”) seeking designation as an Eligible Telecommunications Carrier (“ETC”) solely for the purpose of participating in the Lifeline program. Although Section 214(e)(1)(A) of the Act requires an ETC to offer USF-supported services to some extent over its own facilities, the Federal Communications Commission (“FCC” or “Commission”) has forborne from that requirement for carriers that are, or seek to become, Lifeline-only ETCs.¹ Four Star currently provides service in part over its own facilities through the use of unbundled network elements (UNEs). According to FCC Rules, facilities obtained as UNEs satisfy the requirement that an ETC provide the supported services using either its own facilities or a combination of its own facilities (including UNEs) and resale of another carrier’s services.²

¹ *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (“*Order*”).

² 47 C.F.R. § 54.201(f) states, “[f]or the purposes of this section, the term ‘own facilities’

However, obtaining and maintaining UNEs is costly, and some state public utility commissions do not recognize UNEs as facilities. Therefore, Four Star will avail itself of the FCC's conditional grant of forbearance and, by its attorney, hereby files its Compliance Plan outlining the measures it will take to implement the conditions of forbearance outlined in the *Order*.³ Given the severe economic environment that is forcing many low-income customers to forego telecommunications service, Four Star respectfully requests expeditious approval of this plan so that the Company, upon designation as an ETC, may quickly deploy much-needed Lifeline services to qualified low-income customers.

II. BACKGROUND

In the *Order*, the Commission granted forbearance from the “own-facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:⁴

(1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and

(2) the carrier must file, and the Bureau must approve, a compliance plan that: (a) outlines

includes, but is not limited to, facilities obtained as unbundled network elements pursuant to Part 51 of this chapter, provided that such facilities meet the definition of the term ‘facilities’ under this subpart.” The term “facilities” under Section 54.201 is defined as “any physical components of the telecommunications network that are used in the transmission or routing of the services that are designated for support pursuant to subpart B of this part” (47 C.F.R. § 54.201(e)). The Company’s use of UNEs, including §251 loops, or equivalents thereof, commingled with § 271 elements, meets this definition of “facilities.”

³ Although the Company qualifies for and seeks to avail itself of the Commission’s grant of forbearance from the facilities requirement of section 214(e)(1)(A), the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state (by obtaining UNEs, which are recognized as facilities under 47 C.F.R. § 54.201(f)), particularly for purposes of state universal service funding under state program rules and requirements.

⁴ See *Order* at ¶¶ 368, 373 and 379.

the measures the carrier will take to implement the obligations contained in this Order, including but not limited to the procedures the ETC follows in enrolling a subscriber in Lifeline and submitting for reimbursement for that subscriber from the Fund, materials related to initial and ongoing certifications and sample marketing materials, as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary; and (b) provides a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier's various Lifeline service plan offerings, including subscriber rates, number of minutes included and types of plans available.

III. FOUR STAR WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE ORDER

Four Star will comply with all conditions set forth in the *Order*, the provision of this Compliance Plan, and all laws and regulations governing its provision of Lifeline-supported wireline service to customers throughout the United States.

A. Access to 911 and E911 Services

In the *Order*, the Commission requires Four Star to provide its Lifeline customers with access to 911 and E911 services, regardless of activation status and availability of minutes.⁵ The Commission and consumers are hereby assured that all Four Star customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from Four Star phones as long as the phone remains connected, even if there are no minutes remaining on the account.. Four Star resells the network services of incumbent local exchange carriers ("ILEC") and the ILECs route 911 calls from the Company's customers in the same manner as 911 calls from their own customers. As a wireline carrier, the requirement to provide only E911-compliant handsets does not apply to Four Star.

B. Consumer Eligibility and Enrollment

Four Star will certify and verify consumer eligibility for Lifeline in accordance with the requirements set forth in the *Order*. In instances where a state agency or third-party administrator

⁵ See *Order* at ¶ 373.

is responsible for the initial determination and annual recertification of consumer eligibility, Four Star will rely on the state identification or database.⁶ In instances where Four Star is responsible for the initial determination and annual recertification of consumer eligibility, the Company will follow the procedures set forth below.

1. One-Per-Household

Four Star understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as “any individual or group of individuals who are living together at the same address as one economic unit.”⁷ Upon receiving an application for Lifeline support, Four Star will check the duplicates database, once in place, to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. Four Star will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported service to someone at that residential address. If Four Star determines that an individual at the applicant’s address is currently receiving Lifeline-supported service, Four Star will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, Four Star will require applicants to complete and submit to the Company USAC’s one-per-household template, which will contain the following: (1) an explanation of the Commission’s one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant’s household and share in the household’s expenses or benefit from the applicant’s income; and (4) the penalty for a consumer’s failure to make the required

⁶ See Order at ¶ 98.

⁷ See Order at ¶ 74.

one-per-household certification (i.e., de-enrollment).⁸ Four Star will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

On its certification forms, a draft sample of which is attached,⁹ Four Star will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and a billing address for the service, if different (which may include a P.O. Box or General Delivery address).¹⁰ Four Star will inquire on its certification forms whether or not the applicant's address is a temporary one.¹¹ If it is, Four Star will notify the consumer that the Company will contact the consumer every 90 days, by phone or mail, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of Four Star's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program. Also on its certification forms, Four Star will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.¹² If the subscriber has moved, Four Star will update the duplicates database, once in place, with the information within 10 business days of receipt of the information.¹³

As detailed below, Four Star's certification form will clearly explain the one-per-household requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

2. Initial and Annual Certification

Consumers will be signed up in person or directed, via company literature, collateral or

⁸ See Order at ¶ 78.

⁹ See Exhibit A. The draft form remains subject to change, but substantially reflects the content of the Company's application.

¹⁰ See Order at ¶ 85.

¹¹ See Order at ¶ 89.

¹² See Order at ¶ 85.

¹³ See *id.*

advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. Four Star's application form will identify that it is a "Lifeline" application. Four Star will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services.

Four Star's initial and annual certification forms will conform to the list of requirements provided in the *Order*, Appendix C and with C.F.R. § 54.410(d), as amended. Four Star's Lifeline certification forms, a draft sample of which is attached as Exhibit A, will require each prospective subscriber to provide the following information:

- (i) The subscriber's full name;
- (ii) The subscriber's full residential address;
- (iii) Whether the subscriber's residential address is permanent or temporary;
- (iv) The subscriber's billing address, if different from the subscriber's residential address;
- (v) The subscriber's date of birth;
- (vi) The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
- (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
- (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

The certification forms will also explain in clear, easily understandable language that:

- (i) Lifeline is a federal benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) households are not permitted to receive benefits from multiple providers;
- (v) that violation of the one-per-household requirement would constitute a violation of the Commission's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and
- (vi) a Lifeline subscriber may not transfer his or her service to any other individual,

including another eligible low-income consumer.

Four Star will require all consumers, at sign up and annually thereafter, to certify under penalty of perjury that:

- (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
- (ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
- (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;
- (v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every 90 days;
- (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
- (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
- (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Consumers who do not complete the application process in person must return the signed application and support documentation to the Company by mail, fax, email or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings, that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.¹⁴

¹⁴ See *Order* at ¶ 168.

The Company may enroll Lifeline applicants in person at retail locations. When a prospective customer applies in person, Company employees or representatives (“personnel”) will ask to see a government issued ID and will validate the address via a USPS/Melissa Database. In cases where an eligibility database exists, Company personnel will contact the Company’s internal group dedicated to verifying eligibility who will query the database and either approve or deny the applicant. In states where eligibility databases are not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. Four Star’s Lifeline application contains an “Office Use Only” section, which must be completely filled out and signed by Company personnel in order to record information about the specific documentation reviewed as part of the eligibility verification process. Eligibility documents are returned to the customer after review. Finally, Four Star personnel will verbally explain the certifications to consumers before they initial the required disclosures and sign the application. Once the Lifeline application is complete, it is scanned into the Company’s database. Upon successful completion of the certification process, the customer is allowed to choose a service plan and Four Star initiates provisioning of the phone line with the underlying carrier.

Four Star anticipates to primarily enroll customers via the phone, whereby Company personnel are able to verbally explain the Lifeline program and its eligibility requirements, including required information and disclosures, as well as collect and input electronically the application form information and obtain the applicant’s signature via IVR. The Company then has the information needed to qualify the applicant by accessing necessary databases (USPS/Melissa, duplicates database, eligibility databases). Upon receipt of copies of the applicant’s proof documentation, if applicable, and government-issued ID, Four Star is able to complete the eligibility

verification process, the customer is allowed to choose a service plan and Four Star initiates provisioning of the phone line with the underlying carrier.

When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. Four Star will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.¹⁵ The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, duplicates database, eligibility databases). Upon receipt of copies of the applicant's proof documentation, if applicable, and government-issued ID, Four Star is able to complete the eligibility verification process, the customer is allowed to choose a service plan and Four Star initiates provisioning of the phone line with the underlying carrier.

Four Star will determine eligibility utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a),(b)), as well as any additional state-specific criteria. Prior to enrolling a new subscriber, Four Star will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available.¹⁶ If a database is used to establish eligibility, Four Star will not require documentation of the consumer's participation in a qualifying federal program; instead, Four Star or its representative will note in its records what specific data was relied upon to confirm the consumer's initial eligibility for Lifeline.¹⁷ However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for Four Star to check electronic databases for eligibility, Four Star will review documentation to determine eligibility for new subscribers until

¹⁵ See Order at ¶ 123.

¹⁶ See Order at ¶ 97.

¹⁷ See Order at ¶ 98.

such time as a qualifying eligibility database is available.¹⁸ Four Star will require acceptable documentation both for income eligibility and for program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility.¹⁹ Four Star understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Four Star remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.²⁰

At this time, Four Star does not intend to use agents in the enrollment process. Four Star provides employees and representatives with training designed to give them an understanding of Lifeline program requirements and permit them to review customer documentation and determine whether it is sufficient to establish a customer's eligibility to participate in the Lifeline program under the Commission's rules. No Company employee or representative may accept a Lifeline application unless he or she has first completed this training program and demonstrated an understanding of the underlying material. Among other things, the Lifeline program training discusses the Company's Lifeline application form (see Exhibit A) on a section-by-section basis. The training explains what sections of the form must be completed by the customer and reviews the form disclosures in detail, to facilitate an employee's ability to explain each item contained therein and answer any customer questions.

3. Annual Re-Certification

Four Star understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the

¹⁸ See Order at ¶ 99.

¹⁹ See Order at ¶ 101.

²⁰ See Order at ¶ 110.

year.²¹ By December 31, 2012, Four Star will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by email, or otherwise through the Internet—to confirm their continued eligibility.²² The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company. Four Star will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section III.B.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. Four Star understands that such certifications may be obtained through a written format or an IVR system and will use one or more of such options for its certifications.²³

Alternatively, where a database containing consumer eligibility data is available, Four Star (or state agency or third-party, where applicable) will instead query the database by the end of 2012 and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, Four Star will contact the subscriber every year during the annual certification process to obtain a valid address.²⁴ After 2012, Four Star will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.²⁵

Four Star will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for reimbursement. As part of Four Star's submission of re-certification data pursuant to 47 C.F.R. §

²¹ See *Order* at ¶ 130.

²² See *id.*

²³ See *Order* at ¶ 132.

²⁴ See *Order* at ¶ 131.

²⁵ See *Order* at ¶ 133.

54.416, an officer of the Company will certify annually to USAC:

(1) that the Company has procedures in place to review consumers' documentation of income-and program-based eligibility. In instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company uses to confirm consumer eligibility in each state, and

(2) that the Company is in compliance with all federal Lifeline certification procedures.²⁶

C. Other Reforms to Eliminate Waste, Fraud and Abuse

Four Star shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally. The Company's service plans offer landline calling for a monthly fee, and thus do not invite instances of duplicative support or present the broader concerns regarding waste, fraud and abuse that arise from the "free" plans offered by many prepaid wireless providers. For this reason, there is no need for the Company to implement a customer usage requirement.²⁷

Four Star has implemented enrollment procedures designed to prevent subsidies for duplicate or ineligible subscribers. The Company contracts with a third party Lifeline service bureau, currently CGM, LLC of Roswell, Georgia, to edit the Company's subsidy data to prevent Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month. Through the processes described herein, Four Star

²⁶ See *Order* at ¶ 126-27.

²⁷ The Company is not required to implement customer usage requirements. See *Order* at ¶ 257.

ensures that it does not over-request from support funds.

As detailed in section III.B.2, Four Star first validates each applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, Four Star requires the applicant to provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Once the applicant's identity is confirmed, Four Star verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Four Star checks any available eligibility database. If one is not available, the applicant is required to provide proof of income or program participation. This prevents ineligible applicants from receiving the subsidy.

Four Star verifies the address of the applicant first via the applicant's government issued ID, then validates the address via a USPS/Melissa Database to ensure the address is correct. This then prompts the representative to detail the one-per-household rule with the applicant. Four Star's provisioning company is developing an API such that the Company can also dip the name/address combination into CGM's aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from Four Star or any other CGM client.

1. National Lifeline Accountability Database

Four Star will participate in the National Lifeline Accountability Database, once it is established. As required by the *Order*, Four Star will provide to the database subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.²⁸ Four Star will provide the information listed above for existing subscribers within 60 days of Commission notice that the database is capable of accepting

²⁸ See *Order* at ¶ 189.

subscriber information.²⁹

Furthermore, on its certification form, Four Star will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be divulged to USAC (the administrator of the program) and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.³⁰

Within 30 days following Commission notice that the database is capable of accepting queries, Four Star will query the database to check to see if a prospective subscriber is already receiving service from another ETC at a residential address prior to seeking reimbursement from the Fund.³¹

2. Toll Limitation Service

As a wireline carrier, Four Star distinguishes between toll and non-toll calls. Therefore, the Company offers toll limitation service (TLS) at no cost to its Lifeline customers in order to afford them the ability to manage the cost of their monthly service plans and avoid higher expenditures that could prove to be devastating to a household of limited means. Four Star provides unlimited minutes per month available for local calls only and a separate pool of minutes available for long distance calls (toll control). Customers may purchase additional long distance minute packages in advance or, with payment of a deposit, may elect long distance calling on a postpaid basis. Customers may also opt out of the long distance minutes provided by Four Star and either choose a different long distance provider, or request that the option for long distance calls be blocked altogether (toll block). Four Star incurs a monthly fee for both toll block and toll control (the Company purchases resold TLS with periodic agreements sometimes

²⁹ See Order at ¶ 190.

³⁰ See Order, Appendix C.

³¹ See Order at ¶ 203.

purchased months in advance), and will thus seek reimbursement from the USF for TLS provided to eligible Lifeline subscribers. Four Star understands that TLS support is currently limited to \$3.00 per month per TLS subscriber, and will be reduced to \$2.00 in 2013 and eliminated at the beginning of 2014.³²

3. Marketing & Outreach

Four Star will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. Four Star will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:³³ (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service; and (4) Lifeline is a government benefit program. Four Star's website and printed collateral will explain the documentation necessary for enrollment, and the details of Four Star's plans. Such collateral and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.³⁴ For broadcast advertisements and outdoor signs, and any other situation in which inclusion of documentation information and warnings against willful false statements are not practicable, Four Star will include the URL link for its website where disclosures will be listed. Additionally, Four Star will disclose the company name

³² See *Order* at ¶ 234.

³³ See Exhibit B for a sample advertisement. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. See *Order* at ¶ 275.

³⁴ See *Order* at ¶ 275.

under which it does business.³⁵

4. Audits

If Four Star draws \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, the Company will hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to assess Four Star's overall compliance with the program's requirements.³⁶ Four Star will comply with applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.³⁷

D. De-Enrollment

Four Star will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).³⁸

If a customer does not respond to the Company's annual verification survey within 30 days, or if Four Star has reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), Four Star will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to

³⁵ *See id.*

³⁶ *See Order* at ¶ 291.

³⁷ *See Order* at ¶ 294.

³⁸ *See Order* at ¶ 122.

demonstrate that his or her Lifeline service should not be terminated.³⁹ Similarly, Four Star will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.⁴⁰

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,⁴¹ Four Star will de-enroll a subscriber within 5 business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service.

E. Additional Rule Amendments

1. Terms and Conditions of Service

The Company's Lifeline offering is summarized in section IV.C below. Four Star's terms and conditions are subject to change as needed. Four Star maintains current tariffs, which are public record, with the public service commissions in the states in which it operates, and also makes its tariffs available to customers at their request.

2. Reporting Requirements

Four Star will report all information required by section 54.422, including as it may heretofore be amended. This includes the names of the Company's holding company, operating companies and affiliates, and any branding ("doing-business-as company" or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service,

³⁹ See *id.* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

⁴⁰ See *Order* at ¶ 89.

⁴¹ See *Order* at ¶ 214-16.

including minutes of use and/or toll calls.⁴²

3. Reimbursement from USAC

In seeking reimbursement for Lifeline, Four Star will comply with the requirements of C.F.R. § 54.407, as revised by the *Order*.⁴³ Four Star will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,⁴⁴ and the Company will seek reimbursement for actual lines served, not projected lines.⁴⁵

4. Section 54.202 Certifications

Four Star certifies the following in accordance with newly amended C.F.R. § 54.202: (1) Four Star will comply with the service requirements applicable to the support that it receives; (2) Four Star is able to remain functional in emergency situations; (3) Four Star will satisfy applicable consumer protection and service quality standards.

IV. COMPANY INFORMATION

Four Star is a Tennessee limited liability company. Four Star will provide wireline telecommunications services to consumers by using the network of underlying carrier(s) such as AT&T, Verizon, and Qwest/CenturyLink.

A. Names and Identifiers

Four Star Marketing, LLC d/b/a Midsouth Home Phone does not have any holding companies, operating companies, or any affiliates. The Company identifies itself as Midsouth Home Phone on its marketing materials.

⁴² See *Order* at ¶¶ 296, 390. Section 153 of the Communications Act defines “affiliate” as “a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.”

⁴³ See *Order* page 221.

⁴⁴ See *Order* at ¶ 128.

⁴⁵ See *Order* at ¶ 302.

B. Financial and Technical Capability

Four Star is financially and technically capable of providing Lifeline-supported services.⁴⁶ Four Star currently provides wireline services to non-Lifeline customers in Kentucky and Mississippi, and to both non-Lifeline and Lifeline customers in Tennessee. Four Star has not been subject to enforcement action or ETC revocation proceedings in any state. Four Star is financially able to provide Lifeline-supported services; the Company does not currently – and does not intend to – rely exclusively on USF disbursements to operate. The Company will continue to rely on its business model and service offerings to sustain and grow its business, independent of USF disbursements that provide discounts for qualifying Lifeline subscribers. Furthermore, the senior management of Four Star has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.⁴⁷ Four Star will be providing resold wireline service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

C. Lifeline Offering

Four Star will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carrier(s). Four Star currently offers its Lifeline service in Tennessee, and intends to launch its Lifeline service in Kentucky and Mississippi upon designation as an ETC in those states. The Company's Lifeline offering will provide customers with a discount on their monthly phone service package equal to the maximum federal (and state, where applicable) Lifeline subsidy. Exhibit D attached hereto reflects the Company's rate plans in Tennessee based on the current maximum subsidy amount of \$13.50. Rates may vary by state depending on ILEC territory.

⁴⁶ See *Order* at ¶ 387.

⁴⁷ See Exhibit C for key management resumes.

V. CONCLUSION

Four Star submits that its Compliance Plan fully satisfies the conditions of forbearance set forth in the Commission's *Order*. Implementation of the procedures described herein will promote public safety and should ensure that Lifeline customers have access to 911 and E911 services while safeguarding against misuse of the Company's Lifeline services. Accordingly, Four Star respectfully requests that the Commission expeditiously approve its Compliance Plan so that the Company may begin providing the benefits of much-needed Lifeline service to qualifying low-income consumers as quickly as possible.

Respectfully submitted,

Four Star Marketing, LLC
d/b/a Midsouth Home Phone

/s/ Lance J.M. Steinhart

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1725 Windward Concourse
Suite 150
Alpharetta, Georgia 30005
(770) 232-9200

Its Counsel

Dated April 27, 2012

Exhibit A

Sample Lifeline Certification Form



Please mail or fax this self-certification form to:

Mid-South Home Phone
3281 Jackson Ave
Memphis, TN 38122

901-562-1000 Toll Free 1-888-459-0001
FAX: (901) 320-9094

LIFELINE APPLICATION

This signed authorization is required in order to enroll you in Four Star Marketing, LLC dba Mid-South Home Phone's Lifeline Program in your state. This authorization is only for the purpose of verifying your participation in these programs and will not be used for any other purpose. Service requests will not be processed until this form has been received and verified by Company. I authorize the company to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program.

Things to know about the Lifeline Program:

- (1) Lifeline is a federal benefit.
- (2) Lifeline Service is available for only one line per household. A household cannot receive benefits from multiple providers; and
- (3) A household is defined, for purposes of the Lifeline Program, as any individual or group of individuals who live together at the same address and share income and expenses.

Applicant Information:

First Name: _____ MI: _____ Last Name: _____ Date of Birth: Month _____ Day _____ Year _____

Social Security Number (or Tribal ID Number): _____ (XXX-XX-XXXX) Contact Telephone Number: _____

Residence Address (No P.O. Boxes, Must be your principal address): This address is ☐ Permanent ☐ Temporary ☐ Multi-Household

APT/ Floor/ Other _____ City: _____ State: _____ ZIP Code: _____

Billing Address (May Contain P.O. Box)

APT/ Floor/ Other _____ City: _____ State: _____ ZIP Code: _____

_____ I hereby certify that I participate in at least one of the following programs: (Check all that apply)

Initial Here

- _____ Supplemental Nutrition Assistance Program (SNAP)
- _____ Supplemental Security Income (SSI)
- _____ Federal Public Housing Assistance
- _____ Low- Income Home Energy Assistance Program (LIHEAP)
- _____ National School Lunch Program (free program only)
- _____ Temporary Assistance for Needy Families (TANF)
- _____ Medicaid

_____ I certify that my household income is at or below 135% of the Federal Poverty Guidelines (FPG). There are _____ individuals in my household.

Initial Here

FOR OFFICE USE ONLY:

Company Representative: _____

Documentation Verified: _____

Representative Signature: _____

Date: _____

Is this a multi- family dwelling? _____

I certify, under penalty of perjury: (*Initial by Each Certification*)

- _____ (1) The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program.
- _____ (2) I am a current recipient of the program checked above, or have an annual household income at or below 135 percent of the Federal Poverty Guidelines.
- _____ (3) I have provided documentation of eligibility if required to do so.
- _____ (4) I understand that I and my household can only have one Lifeline-supported telephone service. Mid-South Home Phone has explained the one-per household requirement. I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment from the lifeline program, and could result in criminal prosecution by the United States Government.
- _____ (5) I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline supported service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless.
- _____ (6) I understand my Mid-South Home Phone Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer.
- _____ (7) I will notify Mid-South Home Phone within thirty (30) days if I no longer qualify for Lifeline. I understand this requirement and may be subject to penalties if I fail to notify my phone company. Specifically, I will notify my company if:
 - (1) I cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG.
 - (2) I am receiving more than one Lifeline supported service;
 - (3) I no longer satisfy the criteria for receiving Lifeline support.
- _____ (8) I will notify Mid-South Home Phone within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with Mid-South Home Phone every ninety (90) days. If I fail to respond to Mid-South Home Phone's address verification attempts within thirty (30) days, my Mid-South Home Phone Lifeline service may be terminated.
- _____ (9) Mid-South Home Phone has explained to me that I am required each year to re-certify my continued eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my Mid-South Home Phone Lifeline service.
- _____ (10) I authorize and understand that Mid-South Home Phone may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.
- _____ (11) I understand that my name, telephone number, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.
- _____ (12) I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

APPLICANT'S SIGNATURE

DATE

Exhibit B

Sample Advertisements

See Attached

See also <http://youtu.be/INouR0yAaiM>

 CLEAR CHANNEL



901-672-6637

**Plans as Low as
\$19.95/mo.**

**NO CREDIT CHECK
NO DEPOSIT**

Lifeline is a government benefit program
Only eligible consumers may enroll in the program
For rules go to www.midsouthhomephone.com

FREE CONNECTION! GET HOOKED UP TODAY!

 CLEAR CHANNEL



901-672-6638

**Plans as Low as
\$19.95/mo.**

**NO CREDIT CHECK
NO DEPOSIT**

Lifeline is a government benefit program
Only eligible consumers may enroll in the program
For rules go to www.midsouthhomephone.com

FREE CONNECTION! GET HOOKED UP TODAY!

Exhibit C

Key Management Resumes

James J. Black Jr.
Chief Operating Officer
Four Star Marketing, LLC
dba Mid-South Home Phone

2008 to present

As a consultant, took a ten (10) year old existing CLEC based in Nashville and opened up the Memphis market. Handled everything from acquiring space for three (3) brick and mortar locations, hired the employees – providing jobs for fifteen (15) Memphians and supervised their training. Produced collateral marketing material, worked with media partners in producing several television commercials including writing copy, managed the operation while working closely with telecom consultant CGM and our software provider Overgroup.

In 2009 was one of the founders of Four Star Marketing, LLC dba Mid-South Home Phone. Gained regulatory authority in the states of Tennessee, Mississippi and Kentucky and presently have ETC designation in Tennessee. ETC application for Mississippi and Kentucky are currently pending.

2001 thru 2007

Information Technology Consultant for Cook Systems International and Conch Technologies. Served the needs of Telecommunication Companies.

1985 thru 2000

Financial Services Professional with Mass Mutual, Pacific Life, Black Financial Group and served as the Advanced Sales Specialist for First Horizon Corporation.

Ben C. Bryant, Jr.
Chief Executive Officer
Four Star Marketing, LLC
d/b/a Midsouth Home Phone
Highlights of Experience

- Forty-three total years of Information Technology (I/T) experience ranging from application programming, systems analysis & design, organizational management, management consulting, strategic planning and project management for major development systems and IT environments in primarily Fortune 1000, State & Local Governments entities. Including:
 - Six years of development, sale, and installation of enterprise level system software for a major IT provider into major Fortune 500 companies;
 - Two years as a Senior Consultant for an international accounting firm in the Management Advisory Services division. Focus was on IT strategic planning, development and implementation for major clients;
 - Three years of management consulting with early-stage IT service providing organizations and assisting with and participating in investment requirements;
 - Twenty-four years of building an IT professional services organization from start-up in 1976 to over twelve hundred professionals in 2000 with services including application and business process outsourcing, data center facilities management, e-commerce application development, network management and monitoring, staff augmentation, and traditional development of business and governmental applications. Before going public the company was named to the INC.500 magazine's list of America's Fastest Growing Private Companies in 1987.
 - Six years of developing a second IT professional services firm as an investor and executive.
 - Two years of service as the Executive-in-Residence of the FedEx Institute Of Technology at the University of Memphis
- Served as Chief Executive Officer for a public IT professional services firm from 1996 to 2000 and Chairman of the Board from 1999 to 2000. Company was named to Forbes's list of 200 Best Small Public Companies in 1998; was listed as one of America's fastest-growing NASDAQ companies by Equities magazine in 1997; and listed as one of America's fastest growing companies by Individual Investors magazine in 1996; and was selected as the multi-year outsource vendor for Nashville

Electric Service who was recognized as a pioneering outsourcer in the Utility Industry by Electric World magazine in 1995.

- Major participant as CEO in roadshow presentations for the institutional investment community during Initial Public Offering (IPO) of company in 1996. Subsequent presentations to investors at a multitude of Investment Banker seminars and mini-roadshows across the US and in Europe.
- Formerly served as President for Cook Systems International, a privately held regional IT professional services firm headquartered in Memphis, TN. The company focuses on providing managed services, staff augmentation and a globally competitive sourcing model (Career Corps), which uniquely blends experienced IT professionals with the “best and brightest” MIS and Computer Science University students. Currently Cook is working with multiple Universities across the US to bring this model to their region.

GARY E. McCARTER
2830 Cross Country Drive
Germantown, Tennessee 38138
(901) 754-8783 (Home)
(901) 277-8783 (Cellular)
gemccarter@aol.com (email)

SENIOR MANAGEMENT and FINANCIAL EXECUTIVE
Exceptional Leadership Experience includes Operations, Finance, M & A, and Strategic Planning

Versatile management professional with Big Four audit experience and extensive experience in driving revenue growth and bottom-line improvements through sound financial management and strategic business planning. Proven track record of capturing significant savings through process redesign, making sound, reliable business decisions, influencing actions for peak performance and profitability and negotiating solutions and applying best practices. Demonstrated strengths include:

- Strategic and financial planning
- Financial and accounting management
- Staff management and development
- Operations management
- IT systems management and implementation
- Capital growth initiatives
- Mergers and acquisitions
- Business process improvement
- P & L accountability
- Sales and marketing

Known for Ability to Build, Train, Lead, and Inspire High Performance Teams

EDUCATION

BBA, Accounting and Finance, University of Memphis, State of Tennessee, May 1971
Certified Public Accountant – 1974 (Certificate # 3624)

PROFESSIONAL ACTIVITIES

American Institute of Certified Public Accountants.
Tennessee Society of Certified Public Accountants
President, Germantown Baseball Club, Inc.
Member, Board of Directors, Germantown Youth Athletic Association

PROFESSIONAL EXPERIENCE

President and Chief Operating Officer of an Information Technology Consulting and Outsourcing Company. Expanded the company and developed the infrastructure to support 24/7/365 operations. Revenues increased 150% and profits increased 200% in less than eighteen (18) months. Responsible for profit and loss performance, day-to-day operations and sales and marketing activities of the company. Worked with an international case goods manufacturer and distributor to develop a detailed implementation and integration plan to rollout a BaaN ERP solution to their facilities in England, Canada, Japan and Australia, after completion of the U.S. portion of the project.

Chief Financial Officer of a privately held Document Imaging Solutions and Business Process Outsourcing (BPO) Company. Evaluated, selected and implemented budgeting/projection systems, revised financial and operational reporting to support product pricing and completed a five-year strategic plan supported by a detailed operations plan. Established a working relationship with a major financial institution to insure the availability of debt capital to fund growth initiatives. Developed BPO pricing strategies to support move towards longer-term contract sales and marketing initiatives. Increased BPO revenues 60% in two (2) years.

Chief Financial Officer of a Professional Staffing and Consulting Company. Revenues increased from \$35 million to \$150 million in less than four (4) years. Responsible for the evaluation, assessment, due diligence and negotiations for the acquisition of three (3) Information Technology Service Companies for a total purchase price of \$55 million and the acquisition of an Information Technology Staffing Company with \$12 million in revenues and a total acquisition price of \$8million. Also responsible for establishing revolving lines of credit in excess of \$65 million with a major financial institution.

Chief Financial Officer of a large Home Health Agency where Medicare reimbursements represented 80% of revenues. Responsible for evaluating company operations and recommending a course of action to the Board of Directors to insure solvency of the Agency. Implemented my recommendations which resulted in significantly improved cash flow, improved systems and processes and improved client and vendor relations. Negotiated the sale of a Mississippi Certificate of Need at a significant profit, which provided the funds necessary to stabilize Agency Operations.

Principal Consultant responsible for the assessment and evaluation of the merger of a major privately held company with \$500 million in revenues into a publicly held company with \$100 million in revenues.

Completed the review and evaluation of proposals by Electronic Data Systems for an Enhanced Medicaid Management Information System for Arkansas Department of Human Resources, which ultimately resulted in annual savings in excess of \$8 million.

Completed a project to eliminate redundant front-end credit card processing for a major Tennessee bank. Established the Project team, evaluated all processes and prepared the final Requirements Document.

Evaluated the Credit Card Portfolio of Valley Fidelity Bank and completed the testing and conversion of the portfolio into the computer system of the acquiring bank.

Established the project team to complete the evaluation, testing, conversion and implementation of a Credit Card Processing System for a major Tennessee Bank including establishing third party vendor expectations and converting a very sizable portfolio.

Completed the evaluation of the Automated Client Certification and Eligibility Network for Tennessee (ACCENT) project for the Tennessee Dept of Human Services. This project included completion and sign-off for final user and system requirements and preparation of the Federal APD requesting funding of \$16.5 million.

Chief Administrative Officer for the U.S. and largest subsidiary of a \$750 million privately held leasing company. Responsibilities included Corporate Operations, Finance and Accounting, Traffic, Inventory and Information Technology. Dotted line responsibility to executives in France. Worked on a corporate wide initiative team in France and Germany to standardize and integrate corporate accounting and financial information to comply with Dutch Accounting Principles for consolidated reporting and U.S. GAAP for U.S. reporting. Also directed a team of IT professionals from France and the U.S. to integrate the IT systems across all corporate entities internationally.

Completed the review and preparation of testimony on behalf of the Mississippi Public Service Commission in four rate proceedings as expert witness.

Provided consulting advice to the Mississippi Public Service Commission in the evaluation of a proposed purchase of a \$200 million interest in a generation plant by Mississippi Power and Light.

Exhibit D

Proposed Lifeline Rate Plans

Calling Plans (Monthly Recurring Charges)

A. Basic Package

Unlimited Local Calling

Monthly Charge: \$33.45 (Non-Lifeline Customers)
\$19.95 (Lifeline Customers)

B. The Deuce Package

Unlimited Local Calling

Caller ID

Call Waiting

Monthly Charge: \$44.40 (Non-Lifeline Customers)
\$30.90 (Lifeline Customers)

C. The Deluxe Package

Unlimited Local Calling

Caller ID

Call Waiting

Three Way Calling

Call Return

Monthly Charge: \$50.40 (Non-Lifeline Customers)
\$36.90 (Lifeline Customers)

D. The Ultra Package

Unlimited Local Calling

Caller ID

Call Waiting

Three Way Calling

Call Return

Speed Dial

Call Forward

Call Trace

Call Block

Monthly Charge: \$52.40 (Non-Lifeline Customers)
\$38.90 (Lifeline Customers)